

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re: § **Chapter 11**
§
TALEN ENERGY SUPPLY, LLC, et al., § **Case No. 22-90054 (MI)**
§
§ **(Jointly Administered)**
Debtors.¹ § **Re: Docket Nos. 16, 524**

**NOTICE OF (I) FILING (A) FIRST AMENDMENT TO RSA
AND AMENDED RESTRUCTURING TERM SHEET AND (B) AMENDED
AND RESTATED BCL, AND (II) HEARING ON BCL MOTION**

PLEASE TAKE NOTICE OF THE FOLLOWING:

1. On May 9, 2022, Talen Energy Supply, LLC (“TES”) and its debtor affiliates in the above-captioned chapter 11 cases, as debtors and debtors in possession (collectively, the “**Debtors**”) entered into a restructuring support agreement (the “**RSA**”) with an ad hoc group of TES’ unsecured noteholders (the “**Consenting Noteholders**”). The RSA was filed with the United States Bankruptcy Court for the Southern District of Texas (the “**Court**”) as Exhibit A to the *Declaration of Ryan LeLand Omohundro in Support of the Debtors’ Chapter 11 Petitions and First Day Relief* [Docket No. 16]. Pursuant to the RSA, the Debtors and the Consenting Noteholders agreed to support the transactions set forth in the term sheet attached to the RSA as Exhibit B (the “**Restructuring Term Sheet**”).

2. On May 31, 2022, the Debtors entered into a commitment letter (the “**Backstop Commitment Letter**”) with certain of the Consenting Noteholders listed on Schedule I thereto (the “**Backstop Parties**”) which provided for, among other things, the infusion

¹ A complete list of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors’ claims and noticing agent at <https://cases.ra.kroll.com/talenenergy>. The Debtors’ primary mailing address is 1780 Hughes Landing Boulevard, Suite 800, The Woodlands, Texas 77380.

of up to \$1.65 billion of new equity capital pursuant to a common equity rights offering (the “**Rights Offering**”) and a commitment by the Backstop Parties to backstop up to \$1.3 billion of such Rights Offering (such amount, the “**Backstop Commitment**”).

3. On June 13, 2022, the Debtors filed the *Motion of Debtors for Order (I) Authorizing Entry into Backstop Commitment Letter, (II) Approving Obligations Thereunder, and (III) Granting Related Relief* [Docket No. 524] (the “**BCL Motion**”) seeking entry of an order authorizing the Debtors to enter into the Backstop Commitment Letter annexed thereto as Exhibit A, and approving all obligations thereunder.

4. On June 28, 2022, the Debtors adjourned the hearing on the BCL Motion (the “**BCL Hearing**”) from July 11, 2022 to July 26, 2022,² and on July 28, 2022 the Debtors further adjourned the BCL Hearing to a date to be determined.³ Subsequent to filing the BCL Motion, the Debtors and the Consenting Noteholders engaged in meaningful and productive negotiations regarding amended terms of the RSA, the Restructuring Term Sheet and Backstop Commitment Letter in order to address increased funding needs arising out of the Debtors’ business plan (the “**Business Plan**”).

5. On August 4, 2022, the Debtors and the Consenting Noteholders (i) executed an amendment to RSA (the “**First Amendment to the RSA**”) and (ii) agreed on the form of an amended and restated Backstop Commitment Letter (the “**Amended and Restated BCL**”) providing for meaningful concessions and additional benefits to the Debtors, including but not limited to, (i) an upsize of (a) the Rights Offering to up to \$1.9 billion and (b) the Backstop Commitment to up to \$1.55 billion, (ii) a “go-shop” sale process (the “**Go-Shop**”) to be launched

² See *Notice of Adjournment of Hearing on Motion of Debtors for Order (I) Authorizing Entry into Backstop Commitment Letter, (II) Approving Obligations Thereunder, and (III) Granting Related Relief to July 26, 2022 at 9:00 a.m. (prevailing Central Time)* [Docket No. 803].

³ See *Notice of Cancellation of Hearing* [Docket No. 973].

following entry of the order approving the BCL Motion, (iii) removal of diligence conditions from the Amended Restructuring Term Sheet (defined below), and (iv) an amended confirmation timeline to account for the Go-Shop contemplated under the First Amendment to the RSA.

6. The Debtors hereby file (i) the First Amendment to the RSA, together with (a) an amended Restructuring Term Sheet (attached thereto as Exhibit A) (the “**Amended Restructuring Term Sheet**”) and (b) a blackline of the Amended Restructuring Term Sheet marked against the Restructuring Term Sheet (attached thereto as Exhibit B), annexed hereto as Exhibit A; (ii) the Amended and Restated BCL, annexed hereto as Exhibit B, together with a blackline marked against the Commitment Letter, annexed hereto as Exhibit C; and (iii) the cleansing materials related to the Business Plan, annexed hereto as Exhibit D (the “**Cleansing Materials**”).

7. The BCL Hearing has been rescheduled for **August 16, 2022 at 1:30 p.m. (prevailing Central Time)** before the Honorable Marvin Isgur. The hearing will be conducted in Courtroom 404, 4th floor, 515 Rusk Avenue, Houston, TX 77002. You may participate in the hearing either in person or by an audio and video connection. Audio communication will be by use of the Court’s dial-in facility. You may access the facility at 832-917-1510 and entering the conference code 954554. Video communication will be by use of the Gotomeeting Platform. Connect via the free Gotomeeting Application or click the link on Judge Isgur’s home page. The meeting code is “Judgeisgur”. Click the settings icon in the upper right corner and enter your name under the personal information setting.

8. The deadline to file responses or objections to the BCL Motion (“**Objections**”) has been set for **August 11, 2022 at 12:00 p.m. (prevailing Central Time)** (the “**Objection Deadline**”). Objections must: (i) be in writing, (ii) comply with the applicable provisions of the Bankruptcy Rules and Local Rules, (iii) state with particularity the legal and factual

basis for the objection and the specific grounds therefor, and (iv) be filed with the Court, via ECF, on or prior to the Objection Deadline.

Additional Information

Further information and a complete list of supporting documents may be obtained free of charge at the website dedicated to the Debtors' chapter 11 cases maintained by the Debtors' claims and noticing agent, Kroll Restructuring Administration LLC, located at <https://cases.ra.kroll.com/talenenergy>.

Dated: August 5, 2022

Houston, Texas

/s/ Gabriel A. Morgan

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and Debtors in Possession*

Certificate of Service

I hereby certify that on August 5, 2022, a true and correct copy of the foregoing document was served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas, and will be served as set forth in the Affidavit of Service to be filed by the Debtors' claims, noticing, and solicitation agent.

/s/ Gabriel A. Morgan

Gabriel A. Morgan